The rights of the parties were determinable by the law of the place of injury. Consequently, the constitutionality of the Vermont Workmen's Compensation Act was not drawn in issue as this statute could have no force or effect outside of Vermont.

"The subject of personal injuries received by a workman in the course of his employment is within the control of the sovereign power where the injury occurs. 'It must certainly be the right of each State to determine by its laws under what circumstances an injury to the person will afford a cause of action.'" *Gould's Case*, 215 Mass. 480.

"That law (foreign) may not displace or modify the local law in its effect upon local occurrences and transactions. As to them, the local law will recognize no liability except that which it itself imposes. Otherwise local sovereignty would be impaired." *Saloshin* v. *Houle*, 85 N. H. —, 155 Atl. 47.

"The liability of a person for his act depends, in general, upon the laws of the place where the acts were committed, and although a civil right of action acquired, or liability incurred, in one State or country for a personal injury may be enforced in another to which the parties may remove or where they be found, yet the right or liability must exist under the laws of the place where the act was done." *McDonald* v. *Mallory*, 77 N. Y. 546, 550).

The controversy related to the scope and effect of the alleged contract based upon the Vermont Workman's Compensation Act. The validity of the Vermont Compensation Act within the territory where it might lawfully apply was unquestioned. Under these circumstances, there could be no decision against the validity of the Vermont Act.

> "Whenever the power to enact a statute as it is by its terms or is made to read by construction is fairly open to denial and denied, the validity of such statute is drawn in question but not otherwise." *Balt. & Potomac R. R.* v. *Hopkins*, 130 U. S. 210, 224.

See also:

Miller v. *Cornwall Railroad Co.*, 168 U. S. 131.

Western Life Indemnity Co. v. *Rupp*, 235 U. S. 261.

Johnson v. *New York Life Ins. Co.*, 187 U. S. 491.

The appellant had accepted the compensation provisions of the New Hampshire Employers' Liability and Workmen's Compensation Law. (R. 203). The appellee's action was brought in pursuance of the Compensation provisions which reserve to the employee his right of action at common law. Sect. 11, ch. 178 N. H. P. L. Consequently the parties elected to have their rights determined according to the laws of New Hampshire thereby abrogating the agreement based on the

Vermont Compensation Act. Moreover, an agreement exempting the employer from liability for future negligence is in New Hampshire against public policy and invalid. *Piper* v. *Railroad*, 75 N. H. 228, 435; *Johnston* v. *Fargo*, 184 N. Y. 379, 7 L. R. A. (NS) 537. In deciding the instant case, the Court of Appeals said (Anderson, J.):

> "On rehearing, the attention of the court is sharply directed to the fact that the defendant expressly accepted the New Hampshire Workman's Compensation Act. P. L. N. H. 1926 c. 178. This Act reserves, in section 11, to the employee or his legal representative, an action at law for damages or death caused by negligence. It is clear that this Act applies to actions for negligence occurring in New Hampshire, and that its acceptance binds the defendant in this action of tort. We are also satisfied that we were in error in our previous holding; and that no contract made in Vermont purporting to release an employer from liability for future negligence can bar an action brought in New Hampshire for an injury there sustained and thus change the public policy of New Hampshire. See *Saloshin, Adm'x*, v. *Houle* (N. H.) decided May 5, 1931. It follows that on both grounds the former decision of this court must be reversed." (R. 374). *Bradford Electric Light Co.* v. *Clapper*, 51 Fed. (2d) 992,999.

The decision properly turned upon the laws and policy of New Hampshire. The alleged contract, not the Ver-

mont Workmen's Compensation Act, was held ineffective. The full faith and credit clause was not intended to deny to a state the power to make its laws effective within its own territory; nor was it intended to preclude persons doing business within its limits from modifying contracts made elsewhere. *Allgeyer* v. *Louisiana*, 165 U. S. 578; *Paul* v. *Virginia*, 8 Wall. 168; *Dougherty* v. *Amer. McKenna Process Co.*, 255 Ill. 369; *New York Life Ins. Co.* v. *Dodge*, 246 U. S. 357.

We respectfully submit that the reasons assigned for the appeal are not sufficient to sustain jurisdiction.

Respectfully submitted,

John E. Benton,
Joseph C. Donovan,
Robert W. Upton,

Counsel for Appellee.